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AMUSEMENTS THIS EVENING.

HIBLOE GARDEN. Broadway.—THE DUKE'S MOTTO.

WINTER GARDEN. Broadway.—LITTLE TREASURES.

LAURA KENNEDY'S THEATRE. Broadway.—WIVES OF FISH.

BOWERY THEATRE. Broadway.—SCANDALS OF LONDON.

BARNUM'S AMERICAN MUSEUM. Broadway.—THE TIGER AND THE FOX.

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TRIPLE SHEET.

New York, Thursday, July 2, 1863.

THE SITUATION.

There was some apprehension in Washington yesterday that the army of General Lee might make a line of retreat from Maryland and reach the federal capital before the army of General Meade could intercept it. Some hopes were entertained that General Meade might be able to strike the rebels on the flank, and thus prevent them from reaching Washington. The good fighting qualities of General Meade are relied upon to effect this object. The army are reported to be willing to suffer any fatigue within the power of human endurance. General Meade has issued a circular, urging upon the commanders of army corps, divisions and brigades to explain to their men the "immense losses" involved in the coming conflict. Homes, firesides, and domestic altars, he says, are in danger. The enemy is on our own soil; the army which has fought well heretofore, he thinks, if properly appealed to, will now fight more desperately than ever. He authorizes all commanding officers to order the instant death of any soldier who fails to do his duty. All these precautions would indicate not only the approach of a decisive battle, but the earnest and anxious anticipations of the Commanding General that the result shall be a success.

Reports sent out from Washington yesterday report that no rebels were seen between Frederick and the Potomac, and that certainly none of them were within ten miles of Washington.

A battle took place yesterday at Hanover Junction between the Union cavalry of General Pleasanton and General Stuart's force. It lasted nearly the entire afternoon, and resulted in the success of our troops. The rebels lost, according to some reports, four hundred killed and wounded and six pieces of artillery, and according to others not more than twenty. Our loss is reported at two hundred. The accounts upon this point are evidently conflicting. Our forces occupied York on Tuesday night. Heavy firing was then going on in the direction of Gettysburg. The rebel army was reported to be between that place and Chambersburg.

Heavy firing was heard yesterday afternoon at Harrisburg, which appeared to be in the direction of Carlisle. It was reported that a heavy battle between Generals Lee and Meade was in progress; but at what point was not known. The excitement in Philadelphia continues. A resolution calling upon the President to restore General McClellan to command passed the City Council.

Immense trains of supplies have been sent back across the Potomac by the rebels, the results of Lee's raid. Despatches from Sharpsburg yesterday state that for the past few days large forces of the enemy have been crossing at that point and moving towards Pennsylvania.

Despatches from Memphis bring news from Vicksburg to the 25th ult., at which time everything was going on favorably as usual. On the 23d General Grant advanced to meet the rebel General Johnston, but could not find his whereabouts. His troops are said to be between Canton and Bridgeport.

We have news from Bermuda to the 23d of some importance. The rebel steamer Lady Davis arrived at St. George's the day previous, from Wilmington, N. C., with despatches from the rebel government to the British representatives at Bermuda. The *Royal Gazette* of Bermuda, of the 23d, announces the arrival on board the Lady Davis of Mr. Valladigham, on his way to Canada. The alleged rebel steamer Lady Clyde, from Greenock, Scotland, via Valparaiso, had arrived at St. George's on the 15th, and subsequently cleared for Nassau.

The *Royal Gazette*, of Bermuda, of the 16th ult., remarks:—An order from the War Department, Washington, prohibiting the exportation of horses, mules, and all live stock, which of course includes oxen, &c., went into operation on the 30th of May last; and so strictly has this order been enforced, that several vessels, then laden at New York for Barbados, Nassau, and other places in the West Indies, were compelled to reland their cargoes of cattle. We presume that this order will have the effect of reopening our cattle trade with St. Andrews, New Brunswick. We fear, however, that the contractor for supplying the army and navy with beef at this station, will be much inconvenienced by this very singular order of the Federal government.

EUROPEAN NEWS.

The steamship North America, from London, arrived on the 19th of June, passed Father Point yesterday morning on her voyage to Quebec. The China, which left Queenstown on the 21st of June, reached this port yesterday afternoon. The news is three days later, and will be found of a varied and very interesting character.

Mr. Sillwell, the rebel commissioner in Paris,

took breakfast with the Emperor Napoleon. They enjoyed a private conversation afterwards. It was inferred that Napoleon would renew his offer of mediation in the war affairs of the United States.

The correspondence which passed between Mr. Conway, the alleged representative of the American abolitionist party, and Mr. Mason, the envoy of the rebel States in London, is published.

The Liverpool journals again assert that the steamship Southern, lying in that port, intended for the rebel service. The case of the Alexandria was to come up for trial in the Court of Exchequer, London, on the 22d of June.

A letter from Rio Janeiro, of the 23d of May, has the following:—The Florida (Confederate steamer) left Pernambuco May 12, and with her the late federal brig Clarence, which she had taken; the latter has been armed with four guns and forty men. It is reported that the Florida had destroyed nine vessels, some laden with flour, from New York for the Brazil, previous to entering Pernambuco. Advice from Bahia, of the 29th of May, reports:—The Alabama (Confederate steamer), sailed hence May 21; and the Georgia, (Confederate steamer), which arrived here from the Clyde on the 13th May, left on the 22d. The Mohican, (Federal steamer-of-war), put in here on the 25th May, and sailed on the 27th May in search of the above.

The London Times expresses the opinion that the interview of Fernando Wood with President Lincoln would influence the public mind towards peace.

The New York steam fire engine Manhattan, No. 8—intended for the London exhibition—had reached Liverpool just previous to the departure of the China.

France was still jubilant over the news of the triumph at Puebla. General Forey, in an additional report to the Emperor, says that the speeches of MM. Jules Favre and Picard, in the Paris Legislature, against the expedition, were found translated into Spanish by the thousand in the hands of the Mexicans. The General adds:—"I have already stated that the defence of Puebla organized by the European demagogues proves that there are persons in the place thoroughly acquainted with barricades." It was said that France would claim the State of Sonora as Mexican territory, and that Forey would be ordered to seize the city of Acapulco and the mines in that neighborhood to reimburse the French for the expenses of the war. Twenty-one guns were fired from the Castle of San Angelo, in Rome, in honor of the fall of Puebla. The Emperor telegraphed to Pius the Ninth that he would send a representative to confer with him on all matters relating to the church in Mexico.

The Paris papers of the 21st of June announce that with a view of facilitating commerce with Mexico, merchandise consigned to ports occupied by the French and destined for the portions of the country in French occupation, shall only pay half of the import duty to which it is liable by the regular tariff.

Lord Palmerston's speech on the subject of the close alliance of England with France appears in our columns.

Earl Russell had directed the English Minister in Brazil to ask for his passports.

It was thought that Russia would refuse the allied propositions in the case of Poland. Captains Speke and Grant, the explorers of the Nile, had reached England. A London journal describes the travellers as "sundried, sunburned, lean and gaunt as greyhounds."

A number of romances in real life, or *couves celebres*, had transpired in England and France. Captain Nathaniel W. Massey, the hero of the MacTavish-Canadian episode, had been seen in the London Divorce Court by his wife, Mrs. Massey, whose complaint is very unfavorable to the Captain. The Tylerton marriage case was again in the Scotch Courts in a new shape.

In Paris an action is brought by Madame Cirry, to recover from the royal Duke of Brunswick, whose natural child she claims to be, an allowance of 35,000 francs a year. She alleges that she is the child of the Duke by Lady Colville, of England, whom he seduced. The London *Saturday Review* furnishes a resume of the late Paris law suit, giving the views of the writer on the merits of the case.

Consols closed in London, on June 30, at 92 1/2. The Liverpool cotton market was dull, with prices unchanged, on the 30th ult. Breadstuffs were flat but steady. Provisions dull.

MISCELLANEOUS NEWS.

The Missouri Emancipation ordinance has passed the State Convention by a vote of fifty-one to thirty. Slavery is to be abolished in 1870. Those then over forty are to be servants during life; those under twelve till they are twenty-three; those over twelve until the 4th of July, 1876.

An ordinance has passed the Philadelphia Common Council providing for giving to New York and Boston, from the herd of deer at Logan square, two bucks and four does to each of those cities, and the Commissioner of city property will send them on in a few days.

A Philadelphia Journal publishes a list of the members of the Loyal League of that city, by which it appears that the association contains 633 members. Of these 241 are government contractors and office holders. Three of the members have gone to the war, and four to Harrisburg.

Forty companies of sharpshooters are to be raised in New Jersey for State defence.

Secretary Stanton has informed the Governor of Ohio that colored troops can only receive ten dollars a month, and no bounty.

General Schenck has broken up a nest of secession sympathizers in Baltimore, which was known as the Maryland Club. A detachment of the Seventh regiment of this city now occupies the building.

The rebel State Convention of Tennessee was held at Winchester on the 17th of June. Robert L. Caruthers was nominated for Governor, and the following named persons, to be voted for on a general ticket, were nominated for the Confederate Congress:—First district, Joseph B. Heiskell; Second, William G. Swan; Third, A. S. Colyer; Fourth, Frankfort; Colonel John P. Murray; of Warren; Fifth, H. S. Foote; Sixth, E. A. Keeble; Seventh, James McCullum; of Giles; Eighth, Dr. Thomas Menees; Ninth, J. D. C. Atkins; Tenth, John V. Wright; Eleventh, D. M. Curran.

Mrs. Julia Sterrett, wife of Captain Isaac S. Sterrett, late of the United States Navy, but now in the rebel service, was arrested for disloyalty, in Baltimore, on Saturday last, and given a free passage to her friends in the South. The lady has a son in Fort Mifflin, who is charged with being a spy.

The Fourth of July celebration of the Union Leagues in Philadelphia, which was to have been participated in by President Lincoln, will not take place.

The firm of S. Hallett & Co. have been appointed by General Fremont President of the Union Pacific Railroad Company, Eastern division, its financial agents; and for securing the speedy construction of the road, it is stated that General Fremont has deposited with them two millions of dollars, or their equivalent, to be used as they may deem best calculated to secure that object. We give this information on the authority of the original documents, which have been exhibited by General Fremont and are to that effect.

At a regular meeting of the Board of Education last evening, a communication was received from the Mayor, designating the Hiss and Tribune as papers in which the official proceedings of the Board are to be published. Referred to the Auditing Committee. The trouble in the Ninth ward, caused by the School Trustees having dismissed Miss Kate McGean from a public school in that ward on a refusal to sing the "Battle Hymn of the Republic," was made the subject of a tentative

communication to the Board from Mr. Augustus F. Dowse, one of the Trustees. It contained a statement of the ineffectual efforts he had made to have the young lady restored to her school and class, in obedience to the request of the Board. Ordered to be laid on the table. Mr. Dunham was elected permanent member of the Board, at an annual salary of twelve hundred dollars. A resolution was adopted to withhold the signatures of the President and Clerk of the Board from all warrants drawn by the School Trustees of the Ninth ward until they shall have restored Miss McGean to the school from which she was expelled.

United States Commissioner B. E. Stillwell committed John, Henry and Charles Bressell, in the sum of \$250 each, yesterday, for resisting the enrolling officer.

The General Term of the Supreme Court rendered some decisions yesterday, amongst which is one ordering the Comptroller to prepare and sign the bonds in the sale of the Fort Gansevoort property to James B. Taylor. At the same time the Court does not compel the Comptroller to procure the signatures of the Mayor and the Clerk of the Common Council. The arguments on the appeals in relation to the city advertising and the new Court House were set down for Friday next, at ten o'clock.

The Cumberland river is up, and navigation is good to Nashville. The water had risen about eight feet on the 28th ult.

The stock market was better yesterday, the advance being from 1 to 3 per cent all round. Gold fell of 2 1/2 per cent, closing very heavy. Exchange was 188, about 3 per cent below gold. Money was pretty easy; call loans rather than 1 per cent.

The cotton market was less easy yesterday, and middlings left off at 75c. a 76c. The transactions in flour and wheat were light and at earlier prices. Corn was steady, but not active. The demand for sugar, molasses, lard, wool and the principal kinds of provisions was fair. Mess pork was dearer. Whiskey advanced to 45 1/2c. a 46c., with heavier sales. Petroleum declined 1c. a 2c. per gallon, and closed dull. There were no very remarkable alterations in other articles. The freight engagements were light and rates tending downward.

The Two Great Hostile Armies in Pennsylvania—General Meade Opening the Ball Beautifully.

General Meade has commenced in Maryland and Pennsylvania, with the most promising results thus far, his active operations against the invading rebel army of General Lee. Our brief reports from the headquarters of the army of Tuesday's brilliant operations by the Union cavalry, and the despatch announcing the occupation of York in force by the national troops, lead us to the conclusion that the lines of advance covered by the national army extend from York southward to some point near Frederick, in Maryland, thus covering on the south the entire flank of the rebel army, which appears to be rapidly retreating.

All these operations, however, were east of the Cumberland valley (the continuation in Pennsylvania of the Shenandoah valley), in which all the heavy columns of Lee are doubtless situated, between Carlisle and the Maryland border. Our forces will probably meet the enemy in strength in crossing over the dividing mountain into this valley, unless, as was reported some days ago, we are already on the west side of the mountains on the left, in which case Lee may be compelled to fall back over the Potomac river.

We have no doubt that General Meade's army heavily outnumbered that of the enemy, and that thus the strategy of concentration on the part of Lee against any point of the Union lines will not avail him. We guess that, while General Meade will bring all his forces into play, if necessary or expedient, he will take good care that no particular column is beyond the reach of heavy reinforcements. We are satisfied from Lee's cautious movements that he does not desire a general engagement, except upon the most advantageous terms; and we do not believe that Meade is the man to allow the enemy to choose his own terms for either a defensive or offensive engagement.

It is a remarkable fact that on the very next day after the appointment of General Meade to the command of the Potomac Army we should begin to hear of the retreat of the enemy from the line of the Susquehanna. The inference naturally follows that Lee at once appreciated his danger with a bold and skilful opposing general to deal with, who retires at night clear headed, cool and collected, and who proceeds to business in the morning with the strictest regard to that all important military requisition of sobriety. In dealing with Meade it is not the question to Lee of "Philip drunk or Philip sober," but the question of a trial of strength with a superior army, the leader of which is always wide awake and with his wits about him. Hence we incline to the opinion that the appointment of General Meade to the head of our army was accepted by General Lee as a warning to prepare for the contingency of a speedy return to the Shenandoah valley.

Our apprehensions as to the safety of Washington are gone. We are assured from headquarters that "our whole army is in splendid spirits," and that officers and soldiers have the fullest confidence in their new commander. The whole aspect of the campaign is changed from darkness to brightness, from apprehensions of serious disasters to anticipations of decisive victories. We now feel at liberty to turn from the question of the protection of Washington to the opportunity for the complete overthrow and dispersion of the rebel army. Had the administration promptly put into execution the laws of Congress and the ample powers therein granted for reinforcing our armies, we might have had this day an army at Washington of one hundred thousand men, in addition to all the forces now assembled there, and within a circuit of sixty miles from the capital. This new army, if now on hand, would be sufficient to secure the complete annihilation of the army of Lee and the death blow to the rebellion. But under the mischievous counsels of such abolition professors of the art of war as the Wades, Chanders and Wilsons, the administration for months was diverted from the movements of the rebels in Virginia to the stupid sayings and doings of peace orators and copperhead peace journals in the Northwest; while Gen. Hooker, instead of vigilantly watching the enemy in his front, was busy day and night in regulating or suppressing the circulation of newspapers and in a foolish campaign against the newsboys.

But, notwithstanding all this budget of blunders, we may congratulate the country that in the crisis of the public danger the proper steps have been adopted for the public safety. These steps, in the right direction, have been delayed to the eleventh hour; but we are sanguine that they will save the day. From the dispute between General Hooker and General Halleck in regard to the value of Harper's Ferry resulting in Hooker's removal, we think that the supreme importance of Harper's Ferry has been fully established, whether the place may be abandoned or captured to-day or to-morrow, or held to the end of the war. In giving us at this important juncture a new commanding general who possesses the confidence of the army, and whose abilities for his position are already beginning to be illustrated in the field, Harper's Ferry has resulted in securing us the most desirable of all things demanded by the exigencies of the day.

In view of the speedy expulsion of the rebel forces from Pennsylvania and Maryland, and in view of the necessity which will then compel General Lee to take the back track to Richmond, we should think that the wise heads of the War Office have had experience enough in our past campaigns in Virginia to know what to do. They know by this time all the highways and byways along which an army may get out of the Shenandoah valley into the country east of the Blue Ridge; and how an army, even after crossing the mountains, may be intercepted on the road to Richmond. First, however, let us await the issue of the movements of the opposing armies in Pennsylvania and Maryland, and then, with the expulsion of the enemy back into the Shenandoah valley, the failure of the War Office so to co-operate on the enemy's flank with the movements of General Meade upon their rear will result in a public demand for a reconstruction at Washington which President Lincoln will be able no longer to resist. On the other hand, let the War Office seize the opportunity and secure the defeat and dispersion of the rebel army of Virginia, and all the past blunders and acts of negligence on the part of Messrs. Stanton and Halleck will be forgotten in the general exultations of a grateful people.

It is the army of Lee that is now in danger; and now that the government has the men—volunteers and militia—and the means at hand, for the overthrow and dispersion of his army—now is the time to bring them all into action.

The City of Mexico in Possession of the French.

We have the most exciting news to-day from Mexico. The French are in occupation of the capital, having found no obstacles in their march after the capture of Puebla, which is in itself a very suspicious circumstance. The Mexican troops withdrew four days before the French entered, and the church party tendered their allegiance to Napoleon. The seat of government, the treasury and the arms and munitions of war have been transferred by Juarez to San Luis de Potosi, which lies considerably northward, among the mountains, in the direction of Texas, where resistance can be continued to the progress of the French arms with greater advantage than in the capital, which the Mexican government desired to save from bombardment. By moving in this direction Juarez will be enabled to fall back upon the Southern confederacy if hard pressed, and to form an alliance with it. The new seat of government, moreover, is the centre of the mining region; and it is evident that by taking possession of this point Juarez does not mean to give up the contest. This is further plain from the fact that the twenty thousand men who garrisoned the capital have been withdrawn to Cuernavaca and to intermediate points around the city, for the purpose of carrying on a guerrilla warfare, for which the Mexicans, like the Spaniards, are famous, the geographical character of the country of both nations being favorable to this mode of hostilities. With the aid of a small British force of thirty thousand men the Spanish guerrillas drove a large French army out of Spain. With the aid of an army of twenty thousand Confederates the French could be as easily driven out of Mexico. Any person, by consulting a map of the Mexican republic, will see that the territory lying south of the capital is about one-fifth, while four-fifths of it are north, including the most valuable mines. The French do not occupy even the southern portion of the country, but merely the road from Vera Cruz to the Hills of the Montezumas, and the Mexican army is still intact. Cortez in his expedition conquered ignorant Indians, unacquainted with firearms or the use of iron. General Scott succeeded rapidly in his conquest, because the Mexicans were well aware that the American government did not want to destroy the independence of a sister republic, but merely to obtain redress for wrongs, and they submitted because they hated the yoke of Santa Anna. The manner in which they fought for their independence against the mother country, and their resistance to ambitious rulers, who have since sought to establish a despotism over them, are earnest of what Napoleon has to expect before he can subdue Mexico.

General Forey, too, has already thrown off the mask by issuing a decree confiscating the property of all who have been or are in arms against the French; and a new journal, started in the interest of Napoleon, states that "the occupation of the city of Mexico settles with absolute certainty that it is necessary to extirpate by root the democratic element, and no longer need there be even a dream of popular sovereignty."

Will the Mexicans submit to this? Never. But it fully reveals what are the designs of the Emperor of the French, and how deceitful are his circulars, denying that he ever intended to interfere with Mexican independence. Now that he has been compelled to show his hand, he will pretend that his object is to educate the Mexican people, like Algeria, into self-government, of which they are at present incapable. And to this end he will construct railroads and set on foot other public works to develop the resources of the country. It is already announced that he intends to unite the Atlantic and the Gulf of Mexico with the Pacific by a railroad extending across Mexico from Vera Cruz to the capital, and thence to Acapulco. By this route the Emperor of the French expects to monopolize the trade of the East, and at the same time he hopes to reduce the country to the condition of a French province, and to get possession of all its mines. In other words, he calculates upon a new East India in Mexico, and to make France rich by the conquest. But there is many a slip between the cup and the lip. There is no doubt he may build the new railroad from Vera Cruz to Acapulco, and we should suppose that the Mexicans will not object to a work of such immense value to their country. Let Napoleon, therefore, go on with the enterprise. It will be so much done for the benefit of Mexico and the Mexican people. For when we shall have settled our domestic troubles we intend to take possession of the railroad, and to drive the French from every foot of Mexican soil, unless the Southern confederacy shall have previously done so. We hope the Emperor, therefore, will give us prompt notice of the completion of the work.

Meantime the occupation of the city of Mexico will give Napoleon great aid in Europe.

and sustain the prestige of the French arms. It will make him immensely popular in France, and enable him to carry out his programme touching the Polish question. He will probably proceed to dictate terms to the Czar, and insist on the independence of Poland. But Russia will not relax her grasp of Poland without a long and bloody struggle; and while Napoleon is busy in settling the question, either by the arbitrament of the sword or by the arts of diplomacy, or by both, and while he is regulating the affairs of the Pope, and pays off to England all old scores, the United States will be in a position to have something to say about the regulation of the affairs of Mexico and of this continent generally.